

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 537 - SB 581**

February 24, 2021

**SUMMARY OF BILL:** Changes, from 1:3,000 students to 1:750 students, the ratio for funding full-time public school nurse positions from the Basic Education Program (BEP).

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$41,245,000/FY21-22 and Subsequent Years**

Assumptions:

- Based on information provided by the Department of Education, changing the funding ratio for nurses from 1:3,000 to 1:750 students increases the number of nursing positions generated through the BEP from 358.2 to 1,306.6, for a net increase of approximately 948.4 nursing positions.
- The state share of the BEP will fund approximately \$43,489 per nursing position.
- Re-calculating the FY20-21 BEP, using a nurse to student ratio of 1:750 will result in an increase in state expenditures of \$41,244,968 (948.4 positions x \$43,489).
- The increase in BEP funding will increase the minimum required local match by \$17,485,000 for districts receiving an increase in BEP funding as a result of this bill.
- Based on FY19-20 local maintenance of effort levels, no local school districts will need to increase their BEP local match contributions as a result of the proposed legislation, as all districts are currently contributing local funds in excess of the minimum required local match and the increased local match requirements mandated by this legislation do not exceed such current local contributions for any of the districts.
- However, future legislation which alters the BEP funding formula may result in local governments utilizing current excess local contributions to fund the minimum local match requirement and a combination of multiple such legislation may result in mandatory increases in local match requirements for certain school districts.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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